

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Humbird Post Office
Humbird, Wisconsin 54746

Docket No. A2012-9

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(December 5, 2011)

On October 7, 2011, the Postal Regulatory Commission (Commission) received an appeal postmarked September 29, 2011, from postal customer Helynn Schufletowski (Petitioner) objecting to the discontinuance of the Post Office at Humbird, Wisconsin.¹ On October 13, 2011, the Commission issued Order No. 906, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d).² In accordance with Order No. 906, the administrative record was filed with the Commission on October 24, 2011.³ The Petitioner filed a Form 61 or initial brief on November 15, 2011 (Participant Statement).⁴

The appeal received by the Commission on October 7, 2011 and the Participant Statement raise three main issues: (1) the effect on postal services, (2) the impact upon the Humbird community, and (3) the calculation of economic savings expected to result from discontinuing the Humbird Post Office. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission

¹ Notice of Filing under 39 U.S.C. § 404(d), PRC Docket No. A2012-9, October 11, 2011.

² PRC Order No. 906, Notice and Order accepting Appeal and Establishing Procedural Schedule, PRC Docket No. A2012-9, October 13, 2011.

³ United States Postal Service Notice of Filing, PRC Docket No. A2012-9, October 24, 2011.

⁴ Participant Statement, PRC Docket No. A2012-9, November 15, 2011.

precedent,⁵ the Postal Service gave consideration to a number of other issues, including the impact upon postal employees. Accordingly, the determination to discontinue the Humbird Post Office should be affirmed.

Background

The Final Determination To Close the Humbird, WI Post Office and Extend Service by Rural Route Service (FD), as well as the administrative record, indicate that the Humbird Post Office provides EAS-53 level service to 40 Post Office Box or general delivery customers and no delivery customers. The office is open 20 hours per week “from 12:30 – 16:15 Monday – Friday, 11:15 – 12:30 Saturday and lobby hours of 12:30 – 16:15 on Monday – Friday and 11:15 – 12:30 on Saturday.” Item No. 47, FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet (“Fact Sheet”).⁶ The postmaster of the Humbird Post Office retired on February 1, 2007. A noncareer employee was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the noncareer postmaster relief may be separated from the Postal Service.⁷ The average number of daily retail window transactions at the Humbird Post Office is eight. Revenue has been declining: \$22,718.00 in FY 2008 (59 revenue units); \$21,836.00 in FY 2009 (57 revenue units); and \$18,187.00 in FY 2010 (47 revenue units).⁸ The Humbird Post Office has no meter or permit customers. FD at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

⁵ See 39 U.S.C. 404(d)(2)(A).

⁶ In these comments, specific items in the administrative record, other than Item No. 47, FD, are referred to as “Item ____.”

⁷ FD, at 2, 3 8, 9; Item No. 33, Proposal to Close the Humbird, WI Post Office and Extend Service by Rural Route Service (“Proposal”), at 2, 3, 9.

⁸ FD, at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by rural route service under the administrative responsibility of the Merrillan Post Office, an EAS-16 level office located six miles away, which has 104 available Post Office Boxes. FD at 2; Item No. 18, Fact Sheet; Item No. 33, Proposal, at 2. This service will continue upon implementation of the FD. FD, at 2.

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Humbird Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Humbird Post Office. Questionnaires were also available over the counter for retail customers at Humbird. FD, at 2; Item No. 20, Questionnaire Instruction Letter from Post Office Review Coordinator to OIC/Postmaster at Humbird. A letter from the Manager of Post Office Operations, Minneapolis, MN was also made available to postal customers, which advised customers that the Postal Service was evaluating whether to continue operation of the Humbird Post Office, and that effective and regular service could be provided through rural route service emanating from the Merrillan Post Office. The letter invited customers to complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22. In addition, representatives from the Postal

Service were available at the Town Hall, N3049 King Street for a community meeting on April 26, 2011, to answer questions and provide information to customers. FD at 2; Item No. 21, Letter to Customer, at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 33, Proposal, at 2. Customers received formal notice of the Proposal and FD through postings at the Humbird Post Office and at the Merrilan Post Office. The Proposal was posted with an invitation for public comment at the Humbird Post Office and the Merrilan Post Office from May 24, 2011 to July 25, 2011. FD, at 2; Item No. 36, Round-date Stamped Proposals and Invitations for Comments. The FD was posted at the Humbird Post Office from September 2, 2011 to October 4, 2011, and at the Merrilan Post Office from August 31, 2011 to October 4, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record in Item No. 49.

In light of the postmaster vacancy, a minimal workload, declining office revenue,⁹ the variety of delivery and retail options (including the convenience of rural delivery and retail service),¹⁰ little expected growth in the area,¹¹ minimal impact upon the community, and the expected financial savings,¹² the Postal Service issued the FD.¹³ Regular and effective postal services will continue to be provided to the Humbird community in an effective manner upon implementation of the final determination. FD, at 2

⁹ See note 8 and accompanying text,

¹⁰ FD, at 2-4, 7; Item No. 33, Proposal.

¹¹ Item No. 16, Community Survey Sheet.

¹² FD, at 8; Item No. 17, Cost Analysis; Item No. 18, Fact Sheet; Item No. 29, Proposal Checklist, at 2; Item No. 33, Proposal, at 9.

¹³ FD, at 9.

Each of the issues raised by the Petitioner is addressed in the paragraphs which follow.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Humbird Post Office on postal services provided to Humbird customers. The closing is premised upon providing regular and effective postal services to Humbird customers.

The Petitioner, in her letter of appeal, raises the issue of the effect on postal services of the Humbird Post Office's closing, noting the convenience of the Humbird Post Office and requesting its retention. The Petitioner expresses particular concern about the effect of the closing of the Humbird Post Office on senior citizens, having to travel to another Post Office, and the shipping of packages. The Petitioner also expresses concern about determining when the carrier may arrive. Each of these concerns was considered by the Postal Service.

In response to concerns about the effect of the closing of the Humbird Post Office on senior citizens, the Postal Service explained that carrier service is beneficial to many senior citizens and those who face special challenges because the carrier can provide delivery and retail services. Customers do not have to make a special trip to the Post Office for service. Special provisions are made for hardship cases or special customer needs. To request an exception for hardship delivery, customers may contact

the administrative postmaster for more information. FD, at 4; Item No. 33, Proposal, at 3-4.

The Petitioner also expressed concern about having to travel to another Post Office and the cost of having to travel to another Post Office. The Postal Service explained that services provided at the Post Office will be available from the carrier, and customers will not have to travel to another Post Office for service. Most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order Application forms are available for customer convenience. FD, at 3; Item No. 23, Customer Questionnaire Analysis; Item No, 33, Proposal, at 2-3.

In addition, the Petitioner expressed concern about the effect of the closing of the Humbird Post Office on the shipping of packages. This issue was considered extensively by the Postal Service. Upon the implementation of the Final Determination, delivery and retail services will be provided by the Merrilan Post Office. Services provided at the Post Office will be available from the carrier, and customers will not have to travel to another post office for service. FD at 2-3. Various options exist for the shipping of packages, which are explained on www.usps.com. Carrier pickup is available, which allows for the pickup of packages at the same time the carrier delivers the mail. FD, at 7; Item No. 21, Cover Letter, Questionnaire and Enclosures, at 4; Item No. 33, Proposal, at 6. In addition, the Merrilan Post Office can provide answers to questions about possible options for the shipping of packages from a Humbird address.

With regard to Petitioner's particular concern about package transactions conducted with the carrier, the Postal Service explained that carriers will accept

packages at the mailbox without a customer being present, provided the postage is fully prepaid, and the customer is known to reside or conduct business at that collection point. The package must have a matching return address that is the same as the collection point. If postage has not been applied, the customer can estimate the amount of postage needed and leave the payment in the mailbox. If insurance is desired, the value of the contents must be specified. The carrier will retrieve packages and take them to the Post Office, where they will be weighed to determine the appropriate postage. The package will be inducted that same day. The carrier will leave the customer's change and insurance receipt, if appropriate, in the mailbox the next delivery day. FD, at 7; Item No. 21, Cover Letter, Questionnaire and Enclosures, at 4; Item No. 25, Community Meeting Analysis, at 3; Item No. 33, Proposal, at 6.

The Petitioner also expressed concern about determining when the carrier may arrive. The Postal Service explained that there should not be a significant difference in the time of delivery. In some instances the customer could receive the mail earlier as the Post Office does not open until 12:30. The added services and deliveries might add about 20 minutes to the carrier route. FD, at 6; Item No. 25, Community Meeting Analysis, at 2; Item No. 33, at 6.

The Postal Service has considered the impact of closing the Humbird Post Office upon the provision of postal services to Humbird customers. Delivery and retail services by rural route service under the administrative responsibility of the Merrillan Post Office, located six miles away, provides similar access to retail service, alleviating the need to travel to the Post Office. FD at 3, 7, 9; Item No. 23, Postal Customer

Questionnaire Analysis; Item No. 33, Proposal, at 2-4, 8-9. Thus, the Postal Service has properly concluded that Humbird customers will continue to receive regular and effective service via rural route service under the administrative responsibility of the Merrillean Post Office, located six miles away.

Effect Upon the Humbird Community

The Postal Service is obligated to consider the effect of its decision to close the Humbird Post Office upon the Humbird community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Humbird is an unincorporated rural community located in Clark County. The Clark County/Neillsville/Jason Frederick Mentor Township provides police protection. The community is administered politically by Humbird Town Board, with fire protection provided by the Humbird Fire Department. A number of business and organizations, and at least one church, are located in the Humbird community. FD, at 8; Item No. 17, Community Survey Sheet; Item No. 33, Proposal at 8. The questionnaires completed by Humbird customers indicate that, in general, the retirees, commuters and farmers and others who reside in Humbird must travel elsewhere for other supplies and services. See generally Item No. 22, Returned customer questionnaires and Postal Service response letters, PDF pages 38, 41, 44, 47, 50, 53, 57, 61, 64, 67, 70, 73, 76, 79, 82, 85, 89, 92, 95, 98, 101, 104, 107, 110, 113, 116, 119, 122, 125, 128, 131, 134,

137, 140, 143, 146, 149, 151, 154, 157, 160, 163, 166, 169, 172, 175, 178, 181, 184, 187, 190, 192, 195, 198, 201, 204, 207, 210, 213, 215, 218, 221, 224, 226, 229, 232, 235, 238, 241, 244, 247, 250, 253, 256, 259, 262, 265, 271, 274, 277, 280, 282, 285, 291, 294, 297.

The Petitioner's letter of appeal raises the issue of the effect of the closing of the Humbird Post Office upon the Humbird community. This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 2-3, 8-9; Item No. 33, Proposal, at 2, 8-9. The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name. The Postal Service is helping to preserve community identity by continuing the use of the suspended Post Office name and ZIP Code in addresses and in the National Five-Digit ZIP Code and Post Office Directory. FD, at 3; Item No. 33, Proposal, at 2. Communities generally require regular and effective postal services and these will continue to be provided to the Humbird community.

The Petitioner, in her Participant Statement, expresses concern that the addition of mailboxes along streets will affect snow removal and reduce the ability to travel by vehicle in the winter, possibly leading to some streets only being able to accommodate one vehicle at a time, rather than two-way traffic. The Postal Service explained that there are several guidelines which must be met prior to a road being approved for delivery. The road to be traveled must be at least 14 feet wide and maintained at all times of the year. The Merrillan postmaster will take these safety concerns, along with

the carrier's line of travel, into consideration when determining the placement of the mailboxes on the route. FD, at 2; Item No. 33, Proposal, at 4.

The Petitioner, in her Participant Statement, expresses concern that variations in delivery time, which will be increased because of the carrier having to complete various tasks, will be a hardship for the community. As discussed above, the Postal Service explained that there should not be a huge difference in the time of delivery. In some instances the customer could receive the mail earlier as the Post Office does not open until 12:30. The Postal Service further estimated that added services and deliveries might add about 20 minutes to the carrier route. FD, at 6; Item No. 25, Community Meeting Analysis, at 2; Item No. 33, Proposal, at 6.

In addition, the Postal Service has concluded that nonpostal services provided by the Humbird Post Office can be provided by the Merrillan Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD, at 8; Item No. 33, Proposal, at 8.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Humbird Post Office on the community served by the Humbird Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that delivery and retail services by rural route service under the administrative responsibility of the Merrillan Post Office, located six miles away, would

cost the Postal Service substantially less than maintaining the Humbird Post Office and would still provide regular and effective service. FD, at 9; Item No. 21, Letter to Customer, at 1; Item No. 33, Proposal, at 9. The estimated annual savings associated with discontinuing the Humbird Post Office are \$17,821.00. FD, at 8; Item No. 33, Proposal, at 9.

The Petitioner states that there are other alternatives for the Postal Service rather than to close the Humbird Post Office. and suggests various strategies that might increase business or reduce cost at the United States Postal Service. The Postal Service has broad experience with and has considered some options that are similar to those that the Petitioner suggests; but, in this case, the Postal Service has determined that delivery and retail services by rural route service under the administrative responsibility of the Merrillan Post is the most effective solution for providing regular and effective service to the Humbird community.

The Petitioner notes that the Postal Service estimates that the cost of adding new deliveries to the carrier would be about \$5,000, and states that rather than \$17,821, the economic savings would be \$12,821.00. As explained in the FD, however, total annual savings is calculated by subtracting the annual cost of replacement service, which is estimated to be \$5,256, from the annual costs for the Humbird Post Office, which are \$23,077.00, which results in a total annual savings of \$17,281.00. Thus, the \$5,000 that the Petitioner refers to, which is mentioned on page 5 of the FD, is included in the calculation of the estimated total annual savings of \$17,821.00. FD, at 5, 8; Item No. 33, Proposal, at 5, 9.

The Petitioner challenges the FD by stating that a small amount of savings will be achieved by discontinuing the Humbird Post Office. While the savings from discontinuing the Humbird Post Office may seem insignificant to Petitioner, they are significant to the overall cost reduction focus of the Postal Service. The Postal Service is looking at all opportunities to operate efficiently and provide effective and regular service. While the savings from any given initiative may seem small, these savings can make a difference when added together.

Economic factors are one of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv). FD, at 8; Item No. 33, Proposal, at 9.

The Postal Service determined that delivery and retail services by rural route service under the administrative responsibility of the Merrillan Post Office is more effective than maintaining the Humbird postal facility and postmaster position. FD, at 9. The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The postmaster of the Humbird Post Office retired on February 1, 2007. A noncareer

employee was installed as the temporary officer-in-charge (OIC). The most specific information provided in the FD states that the OIC “will go back to Merrillan which is the office she is assigned to. The employees of the Humbird Post Office are valued employees and will have an opportunity to work hours in surrounding offices that have the work available.”¹⁴ Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Humbird Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Humbird Post Office on the provision of postal services and on the Humbird community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Humbird customers. FD, at 9. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. §

¹⁴ FD, at 3.

404(d)(2)(A). The Postal Service's decision to close the Humbird Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Humbird Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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